REMARKS

[0003] Applicant respectfully requests entry of the following remarks and

reconsideration of the subject application. Applicant respectfully requests entry of

the amendments herein. The remarks and amendments should be entered under

37 CFR. § 1.116 as they place the application in better form for appeal, or for

resolution on the merits.

[0004] Applicant respectfully requests reconsideration and allowance of all

of the claims of the application. Claims 1, 4-6, 8, 9, 12-14, and 16-18 are

presently pending (after this amendment). Claims amended herein are 1, 9 and

13. Claims withdrawn or cancelled herein are 2, 3 and 15. New claims added

herein are none.

Statement of Substance of Interview

[0005] The Examiner graciously talked with me—the undersigned

representative for the Applicant—on December 8, 2008. Applicant greatly

appreciates the Examiner's willingness to talk. Such willingness is invaluable to

both of us in our common goal of an expedited prosecution of this patent

application.

During the interview, I discussed how the claims differed from the

cited reference. Without conceding the propriety of the rejections and in the

interest of expediting prosecution, I also proposed several possible clarifying

amendments.

REGIONS PRESIDEN

[0007] The Examiner was receptive to the proposals and indicated that he would need to review the cited art more carefully and do another search, and

requested that the proposed amendments be presented in writing.

[0008] Applicant herein amends the claims in the manner discussed during the interview. Accordingly, Applicant submits that the pending claims are allowable

over the cited reference of record for at least the reasons discussed during the

interview.

Claim Amendments

[0009] Without conceding the propriety of the rejections herein and in the

interest of expediting prosecution, Applicant amends claims 1, 9 and 13 herein.

Applicant amends claims to clarify claimed features. Such amendments are

made to expedite prosecution and more quickly identify allowable subject matter.

Such amendments are merely intended to clarify the claimed features, and $% \left(1\right) =\left(1\right) \left(1\right) \left$

should not be construed as further limiting the claimed invention in response to

the cited reference.

[0010] Claims 1, 9, and 13 are amended to specify that "the denominator of the quotient is not one." In the interview with the Examiner, he indicated that

such an amendment would exclude the trivial event when the claimed "quotient"

such an antenament would exclude the trivial event when the dainted quotient

was only nominally so. That is, the quotient is something other than a value or

thing merely being divided by one so that the result is the original value or thing

itself.

-12-

Formal Matters

[0011] This section addresses any formal matters (e.g., objections) raised by the Examiner.

Non-Statutory Double-Patenting Rejection

[0012] Based upon co-pending application 2004/0001605, the Examiner rejects claims 1, 5, 6, 8, 12, 13 and 16 on the grounds of non-statutory obviousness-type double-patenting.

[0013] Applicant submits that these claims distinguish from the co-pending application 2004/0001605 by reciting a feature, namely "generating the rational statistics of one or more regions of the plurality via a hashing function having a quotient of two weighted, linear, statistical combinations and wherein the rational statistics are semi-global characteristics," that is not disclosed in the co-pending application 2004/0001605. Accordingly, Applicant asks the Examiner to withdraw this rejection.

Substantive Matters

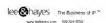
Claim Rejections under § 112 2nd ¶

[0014] Claims 13-17 are rejected under 35 U.S.C. § 112, 2nd ¶. Applicant respectfully traverses this rejection. Applicant submits that claims 13-17 are system claims, not hybrid claims as alleged by the Examiner. Take claim 13 as an example. Claim 13 is a system claim with the following components: a partitioner, a region-statistics calculator, a region quantizer and a digital-goods marker. Claims 14-17 further define the functions of these components. Accordingly, Applicant asks the Examiner to withdraw this rejection.

Claim Rejections under § 101

[0015] Claims 13-17 are rejected under 35 U.S.C. § 101. Applicant respectfully traverses this rejection. Applicant herein submits that that the claims of the instant Application are to be construed—now and in the future--to be limited to subject matter deemed patentable in accordance with section 101 of Title 35 U.S.C., and as interpreted by appropriate and authoritative Article III entities. In light of this disclaimer, Applicant asserts that these claims are allowable. Accordingly, Applicant asks the Examiner to withdraw these rejections.

[0016] Also, as discussed above, claims 13-17 are machine (apparatus) claims, and they are of statutory classes. Take claim 13 as an example. Claim 13 is a machine claim with the following components: a partitioner, a region-statistics calculator, a region quantizer and a digital-goods marker. Claims 14-17 further define the functions of these components.



[0017] If the Examiner maintains the rejection of these claims, then Applicant requests additional guidance as to what is necessary to overcome the rejection.

Claim Rejections under § 102

[0018] The Examiner rejects claims 1-6, 8, 9 and 12-18 under § 102. For the reasons set forth below, the Examiner has not shown that the cited reference anticipates the rejected claims.

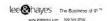
[0019] Accordingly, Applicant respectfully requests that the § 102 rejections be withdrawn and the case be passed along to issuance.

[0020] The Examiner's rejections are based upon the following reference:

 Venkatesan: Venkatesan, et al., US Patent Application Publication No. 2004/0001605 (published January 1, 2004).

Overview of the Application

[0021] The Application describes a watermark verification scheme that employs optimization algorithms for quantizing randomized statistics of an image region.



Cited References

[0022] The Examiner cites Vankatesan as the primary reference in the anticipation-based rejections.

Vankatesan

[0023] Venkatesan is directed to watermarking of digital goods. The implementation includes quantization watermarking of multiple regions of the digital good.

Anticipation Rejections

[0024] Applicant submits that the anticipation rejections are not valid because, for each rejected claim, no single reference discloses each and every element of that rejected claim.¹ Furthermore, the elements disclosed in the single reference are not arranged in the manner recited by each rejected claim.²

Based upon Vankatesan

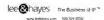
[0025] The Examiner rejects claims 1-6, 8, 9 and 12-18 under 35 U.S.C. § 102(e) as being anticipated by Vankatesan. Applicant respectfully traverses this rejection. Based on the reasons given below, Applicant asks the Examiner to withdraw the rejection of these claims.

Claim 1 (and similarly for claims 9, 13 and 18)

[0026] Applicant submits that Venkatesan does not anticipate this claim because it does not disclose at least the following features as recited in this claim (with emphasis added):

 a hashing function having quotient of two weighted, linear, statistical combinations;

² See *In re Bond*, 910 F.2d 831, 15 USPQ2d 1566 (Fed. Cir. 1990).



^{1 &}quot;A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." Verdegaal Bros. v. Union Oil Co. of California, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cr. 1987); also see MPPF 92131.

 wherein the rational statistics are semi-global characteristics and the denominator of the quotient is not one

[0027] In contrast, Venkatesan disclosed only one weighted combination and failed to disclosed the claimed quotient and semi-global characteristics. Also, Applicant submits that this claimed feature is directed to watermarking operations, not directed to results as the Examiner alleged (Action, page 4).

Dependent Claims 4-6, 8, 12, 14, 16 and 17

These claims ultimately depend upon independent claims 1, 9 and 13. As discussed above, claims 1, 9 and 13 are allowable. It is axiomatic that any dependent claim which depends from an allowable base claim is also allowable. Additionally, some or all of these claims may also be allowable for additional independent reasons. In addition to its own merits, each dependent claim is allowable for the same reasons that its base claim is allowable. Applicant requests that the Examiner withdraw the rejection of each dependent claim where its base claim is allowable.

Conclusion

[0029] All pending claims are in condition for allowance. Applicant respectfully requests reconsideration and prompt issuance of the application. If any issues remain that prevent issuance of this application, the **Examiner** is **urged to contact me before issuing a subsequent Action**. Please call or email me at your convenience.

Respectfully Submitted,

Lee & Hayes, PLLC Representatives for Applicant

/kaseychristie40559/

Kasey C. Christie (kasey@leehayes.com; x4732) Registration No. 40559

Customer No. **22801**

Telephone: (509) 324-9256 Facsimile: (509) 323-8979

www.leehayes.com



Dated: 1/13/2009